Stakeholder Comments Template

Submitted by	Company	Date Submitted
Naor Deleanu ndeleanu@olivineinc.com	Olivine Inc	7/6/2018

Please use this template to provide your written comments on the ESDER Phase 3 Revised Straw Proposal.

Submit comments to InitiativeComments@CAISO.com

Comments are due July 6, 2018 by 5:00pm Pacific Time

The CAISO requests your comments to the ESDER 3 proposal:

1. New bidding and real-time dispatch options for demand response (DR)

   Comments:

   Olivine is appreciative of efforts in ESDER 3 undertaken to better realize DR limitations for non-5 minute dispatchable resources. Expanded bidding options will allow more technologies and customers to participate in the real-time market in response to day-of grid conditions. However, there are still potential issues that may arise in regards to infeasible dispatch for certain resource types without further guidance. Currently, many DR resources, while they may be able to respond to hourly dispatch notices, are operationally limited in the flexibility and duration of response. There is risk of either infeasible dispatch or fatigue for resources that could be dispatched for non-contiguous intervals. We understand that this could be at least partially remedied by including a minimum load cost for a resource's characteristics and would appreciate guidelines on how to adopt this to DR resources.

2. Removal of the single load serving entity (LSE) aggregation requirement and the need for application of a default load adjustment (DLA)

   Comments:

No additional comments.

3. PDR-Load Shift Resource

Comments:

Olivine has several concerns with the proposal as currently written:

1. We are concerned about the complexity and usefulness of using "event hours" instead of "event days" as the criteria for excluding a particular load value from baseline calculations. This could mean that if there are multiple event hours in a day, there could potentially be a different baseline for each hour. Using event hours as exclusion criteria also ignores the reality that it is possible, even likely in many scenarios that DR resource performance during event hours impacts operations during nearby non-event hours. For example, a storage resource that is called for curtailment in a given hour may charge immediately before or after the curtailment event, introducing non-typical use for the surrounding periods. Resources that include both storage and AC cycling utilize pre-cooling prior to the event and/or post cooling after in order to maintain thermal comfort levels, both atypical load patterns. Resources called on for load consumption could also exhibit atypical behavior in non-event hours, especially if they are not also given a curtailment award later in the day. Unless there is analysis justifying this new baseline methodology, Olivine believes that the existing event-day definitions should be maintained.
2. Resources that have both load and storage used for curtailment performance should have the option of using traditional 10-in-10 baseline for measuring load reduction. Especially with two resource IDs, it would be easy to calculate performance separately for consumption and reduction. As discussed in recent stakeholder calls, there does not appear to be a significant benefit to DR resources in separately calculating load reduction and storage discharge before adding them together. In fact, it is possible that the baseline load will look unnecessarily worse in circumstances where the "typical use" may involve charging the battery during the event hour. PDR-LSR resources should be given the same flexibility in utilizing MGO baseline types for curtailment as non-LSR resources.

We would like to clarify whether PDR-LSRs can buy back day-ahead consumption awards in real-time. For example, if a resource gets a day-ahead instruction to charge 1 MW, can it submit an incremental bid in real-time from -1 MW to 0 MW and end up with a 0 MW real-time operating instruction if negative prices do not materialize? Our understanding is that DR resources today can submit decremental bids to buy back a day-ahead award in real-time, so it would make sense if this functionality was expanded to the consumption side. This also raises the question of whether it is possible for a resource to get both a curtailment and a consumption award for the same interval if there are negative prices in one of the DA or real-time market and high prices in the other.

4. Measurement of behind-the-meter electric vehicle supply equipment (EVSE) load curtailment

   Comments: